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FISCAL IMPACT STATEMENT

LS 6240

BILL NUMBER: SB 32

NOTE PREPARED: Nov 20, 2006

BILL AMENDED:

SUBJECT: Teacher and School Administrator Contracts.

FIRST AUTHOR: Sen. Kenley

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires a school corporation to take action not later than June 1: (1) to cancel an indefinite contract with a permanent or semipermanent teacher; or (2) to refuse to renew a contract with a nonpermanent teacher, a superintendent, an assistant superintendent, a principal, or an assistant principal.

The bill limits the number of teachers that the exclusive representative may appoint to serve on statutory or locally created committees of a school corporation.

The bill limits language in the teachers' collective bargaining law that prohibits a school employer from unilaterally changing the terms and conditions of employment (if no agreement on those terms and conditions has been reached 14 days before the school employer submits a budget) to items that must be bargained collectively.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Contract Cancellation:* The bill sets a uniform date for the cancellation of a contract for permanent teachers, semi-permanent teachers, nonpermanent teachers, superintendents, assistant superintendents, principals, or assistant principals. Currently, teachers have to be notified by May 1 and assistant superintendents, principals, and assistant principals have to be notified by

February 1 if a contract is not to be renewed. A superintendent must be notified by January 1 if a contract is to be terminated. The bill would give greater flexibility to schools in planning expenditures. Currently, schools have to send termination notices to teachers and then may offer the teacher a contract later in the school year when more teachers retire, do not return, or revenue is greater than expected. This change in the notification dates could improve local school budget planning.

School Committees: The provision limiting the number of teachers that the exclusive representative may appoint to serve on statutory or locally created committees of a school corporation should have no fiscal impact.

Collective Bargaining: The bill also makes changes to language in the teachers' collective bargaining law. If no collective bargaining agreement for teachers has been reached 14 days before the school first publishes the legal notice of its budget, then the parties are to continue the status quo for items that must be bargained collectively on items related to salary, wages, hours, and salary- and wage-related fringe benefits, including accident, sickness, health, dental, or other benefits.

Under current law the following items are subject to the status quo provisions if the school included them in the collective bargaining agreement:

- (1) Working conditions, other than those provided in IC 20-29-6-4.
- (2) Curriculum development and revision.
- (3) Textbook selection.
- (4) Teaching methods.
- (5) Hiring, promotion, demotion, transfer, assignment, and retention of certificated employees, and changes to any of the requirements set forth in IC 20-6.1-4.
- (6) Student discipline.
- (7) Expulsion or supervision of students.
- (8) Pupil-teacher ratio.
- (9) Class size or budget appropriations.

This provision could reduce school expenditures depending on the status of collectively bargained contracts and what items had been included in prior contracts.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Local Schools

Information Sources:

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